THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) No, Sir.

(b) Does not arise.

(c) Some commercial disputes have arisen between the Maharasthra State Electricity Board (MSEB) and the Dabhol Power Company, who had entered into a Power Purchase Agreement (PPA) for purchase of power from the Dabhol Power Project. DPC has also invoked the counter guarantee given by the Government of India (GoI) to the first phase of the project (740MW) due to non- payment by MSEB of certain bills raised by DPC and also non payment of the said bills by the Government of Maharashtra (GoM) who are the primary guarantor for the payment liabilities of MSEB to DPC. MSEB and GoM have not made the said payments to DPC and had asked DPC to adjust the payments agianst the rebates claimed by MSEB under the relevant provisions of the PPA due to failure by DPC on a few occasions to supply the required quantum of power to MSEB in spite of DPC having declared the availability of power. DPC have disputed the claim for rebate made by MSEB. Both parties have now initiated legal proceedings against each other alleging violation of the PPA. The issues are presently *sub-judice*. GoI, on the basis of legal opinion obtained, has refused to make the payments to DPC as demanded by them under the GoI counter guarantee. Due to this, DPC have initiated arbitration/conciliation proceedings against the GoI.

Loss to economy on account of power shortage

3270. DR. ALLADI P. RAJKUMAR: Will the Minister of POWER be pleased to state the loss that the country's economy has suffered in terms of lost production during each of the last three years on account of power shortage?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): Energy is an essential input for economic development and power shortages have a negative impact on the growth of the Indian economy. There has been significant growth in the power sector in the last 50 years. The installed generating capacity has increased from about 1350 MW in 1947 to over 104851 MW as on 31.3.2002. Similarly, electricity generation in the country has more than doubled in a span of 11 years from 245.5 Billion Units (BU) during 1989-90 to 515.27 BU during 2001-02. The energy and peak shortages declined from 11.5% and 18.0% in the beginning of 9th Plan to 7.5% and 11.8% respectively in the terminal year (2001-02) of 9th Plan. The economy of the country has grown despite power shortage during the

last three years *i.e.*, 1999-2000 to 2001-2002 as may be seen from the table given below:

Year	Rate of Growth of GDP	Electricity Generation Growth
1999-2000	6.1%	7.1%
2000-2001	4.0%	3.9%
2001-2002	5.4% (Prov.)	3.1%

Higher cost of electricity for textile industries

†3271. SHRI JANESHWAR MISHRA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the Indian textile industries fail to compete with the rest of the world because electricity is costly as has been asserted by the International Textile Manufacturing Federation;

(b) if so, the details thereof;

(c) whether the Electricity Department provide electricity to various areas at varying prices;

(d) the total consumption of electricity at present in the textiles sector and the rates thereof; and

(e) the steps being taken by Government to maintain the power availability?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (e) The average electricity rates in India are generally higher than those in some other countries in the world. A Statement indicating power cost as percentage of total cost in various textile products in India *vis-a-vis* countries during the year 1999 is enclosed. (*See* below)

The rates of electricity supplied for different categories of consumers differ from State to State.

The total consumption of electricity in the textile sector in the year 1998-99 was 10385 MU. Power supply to consumers including textile industries is the responsibility of the respective State Electricity Boards/Utilities.

The Electricity Regulatory Commissions Act, 1998 was enacted with a view to rationalizing electricity tariff. The Act requires the State Electricity

†Original notice of the question was received in Hindi.